

## Old Age, Disability, Death

First law: 1943.

Current laws: 1950 and 1973.

(The 1973 law contains certain changes in retirement and pension benefits and contribution rates which are being phased in.)

Type of program: Social insurance system.

**Exchange rate:** U.S.\$1.00 equals 1,927 guarani.

### Coverage

Employed persons.

Special systems for railroad, banking, and public employees.

### Source of Funds

**Insured person:** 9.5% of earnings. Pensioners, 5% of pensions.

**Employer:** 13.0% of payroll.

**Government:** 1.5% of earnings.

Minimum earnings for contribution purposes: Minimum wage.

Above contributions also finance sickness, maternity, and work-injury benefits.

### Qualifying Conditions

**Old-age pension:** Age 60 with 15 years, or age 55 with 20 years of contribution. Retirement unnecessary. Pension payable abroad.

Supplement: Age 60 with 20 years, or age 55 with 25 years of contribution.

**Disability pension:** Loss of 2/3 of earning capacity. 150 weeks of contribution if under age 55; 200 weeks if under age 60; 400 weeks if disability due to *premature aging or senility*. Supplement: Total or partial inability to perform usual job, and 3 years' coverage (non-work injury) or 8 years (premature aging).

**Survivor benefit:** Deceased was pensioner at death, or had 50 weeks of contribution in last 3 years. Funeral grant, 26 weeks of contribution in last year.

### Old-Age Benefits

**Old-age pension:** 42.5% of average earnings during last 3 years.

Increment of 1.5% of pension for each 50 weeks of contribution beyond 750 weeks. Supplement: 50% of average earnings during last 3 years. Combined pension and supplement cannot exceed 100% of average earnings during last 3 years. If pensioner continues working and paying contributions, pension raised by 4.5% for each 150 weeks of contributions after retirement.

### Permanent Disability Benefits

**Disability pension:** 42.5% of average earnings during last 3 years.

Increment of 1.5% of pension for each 50 weeks of contribution beyond 750 weeks. Supplement: 20% of average earnings during last 3 years, plus increment of 0.5% for each year covered beyond 3.

### Survivor Benefits

**Survivor grant:** For deceased worker, lump sum of 1 month's earnings for each 50 weeks of contribution. Maximum, 5 months' earnings. (For deceased pensioner, 12 months' pension paid.)

Payable to widow or disabled dependent widower; if surviving spouse has children under age 16 or disabled, payment split in half

between spouse and children. Full orphans receive full payment.

Absent spouse or children, paid to dependent parent.

Supplement: 75% of insured's supplement, paid to survivors shown above.

Funeral grant: Varies according to locality.

### Administrative Organization

Social Insurance Institute, administration of program (including mandatory supplement); managed by tripartite council and director-general.

## Sickness and Maternity

First law: 1943.

Current laws: 1950, 1965, and 1973.

Type of program: Social insurance system. Cash and medical benefits.

### Coverage

Employed persons, including domestic servants, teachers in government and private schools, and university professors.

Pensioners also covered for medical benefits.

Special systems for railroad, banking, and public employees.

Self-employed workers may elect voluntary coverage.

### Source of Funds

**Insured person:** See pension contributions above (for pensioners, 5% of pensions; public schoolteachers and university professors, 5.5% of earnings).

**Employer:** Same.

**Government:** Same.

### Qualifying Conditions

**Cash sickness benefits:** 6 weeks of contribution in last 4 months.

**Cash maternity benefits:** 6 weeks of contribution in last 120 days.

**Medical and maternity benefits:** Currently insured.

### Sickness and Maternity Benefits

**Sickness benefit:** 50% of average earnings during last 4 months.

Benefit reduced by half during period of hospitalization if no dependents.

Payable after 3-day waiting period for up to 26 weeks; may be extended to 50 weeks in special cases.

**Maternity benefit:** 50% of earnings, payable for 3 weeks before and 6 weeks after confinement.

Milk vouchers provided for up to 8 months, if mother unable to nurse child.

### Workers' Medical Benefits

**Medical benefits:** Medical services provided directly to patients through facilities of Social Insurance Institute.

Includes general and specialist care, hospitalization, laboratory services, medicines, dental care (if 8 weeks of recent contribution), and maternity care.

Duration: 26 weeks for one illness; may be extended to 52 weeks in special cases.

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### Dependents' Medical Benefits

**Medical benefits for dependents:** Same as for insured. (Includes wife, unmarried children under age 16, disabled children, and dependent parents over age 60.)

### Administrative Organization

Social Insurance Institute, administration of program.  
Institute operates own clinics and hospitals.

Supplement: 75% of insured's supplement, paid to survivors shown above.

Maximum survivor pension: 100% of pension of insured.

Funeral grant: Varies according to locality.

### Administrative Organization

Social Insurance Institute, administration of contributions and benefits.

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## Work Injury

First law: 1927.

Current laws: 1950 and 1973.

Type of program: Social insurance system.

### Coverage

Employed persons, including domestic servants and teachers in private schools.

Self-employed workers may elect voluntary coverage.

### Source of Funds

**Insured person:** See pension contributions above.

**Employer:** Same.

**Government:** Same.

### Qualifying Conditions

**Work-injury benefits:** No minimum qualifying period.

### Temporary Disability Benefits

**Temporary disability benefit:** 75% of average earnings during last 4 months or period of contribution, if less. Payable after 3-day waiting period for up to 50 weeks.

### Permanent Disability Benefits

**Permanent disability pension:** 60% of average earnings during last 3 years, if totally disabled.

Partial disability: If more than 30% disabled, pension equal to 60% of wage loss, according to schedule in law. If pension less than 30% of total disability pension, converted to lump sum equal to 5 years' pension.

Supplement: For total disability, 20% of average earnings during last 3 years, plus 0.5% for each year covered beyond 3 years.

Partial disability: Full supplement reduced proportionate to residual work capacity.

### Workers' Medical Benefits

**Medical benefits:** General and specialist care, hospitalization, medicines, and appliances.

### Survivor Benefits

**Survivor pension:** 40% of total disability pension of insured.

Payable to widow or dependent disabled widower.

Orphans: 20% of total disability pension of insured for each child under age 16 (no limit if disabled).

Other eligible survivors (in absence of above): 20% of pension of insured for each dependent parent.

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## Family Allowances

Labor code of 1961 requires that employers provide certain maternity and family allowance benefits.

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